



PRESS RELEASE

SEMBCORP'S 1H2007 PROFIT FROM CONTINUING OPERATIONS SOARS 55%

- ***Group PATMI before EI at \$258.3 million, up 48%***

Singapore, August 7, 2007 - SembCorp Industries (SembCorp) delivered strong earnings growth for the first six months of 2007 (1H2007). The Group's Profit After Tax and Minority Interest (PATMI) before Exceptional Items (EI) from its continuing operations was up 55% to \$258.3 million. Underscoring its successful restructuring, the Group also generated strong Economic Value Added (EVA) of \$196.6 million in 1H2007.

SembCorp's Utilities and Marine & Offshore Engineering businesses continued to be the key drivers for the robust performance. Utilities' PATMI increased 53% to \$141.7 million mainly driven by Singapore and the UK. The second highest contribution was from Marine & Offshore Engineering. This surged 78% to \$98.2 million. Operating margins from the unit's rig building and ship repair businesses were higher as was contribution from its associates.

"SembCorp's performance for the first six months of this year reflects the strong fundamentals of our global core businesses. We also made good progress tapping on fast growing markets in China and Vietnam. We have secured two new water projects in Northeast China. With over three million cubic metres per day worldwide, SembCorp is today Singapore's largest water management company. Meanwhile in Vietnam, we are developing a site for our third industrial park in that country," commented Mr Tang Kin Fei, Group President & CEO.

SembCorp's FY2007 Outlook

Barring unforeseen circumstances, the Group's overall operating performance in 2007 is expected to be better than that of 2006 on a comparable basis, excluding net profits arising from exceptional items in 2006.

Highlights from SembCorp's 1H2007 Financial Results

- **Robust earnings growth from continuing operations**
 - Turnover of \$3.9bn, up 8%
 - PATMI before EI of \$258.3m, up 55%
- **Group PATMI before EI at \$258.3m, up 48%**
- **Solid financial position**
 - Net gearing at 0.05x
 - Interest cover at 16 times
- **Return on Equity (annualised) at 18%**
- **Positive Economic Value Added at \$196.6m**

- End -

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About SembCorp Industries

SembCorp Industries Ltd is a leading utilities and marine group. The Group provides centralised utilities and energy to industrial customers in Singapore, the United Kingdom, Asia and the Middle East. It is a global leader in marine and offshore engineering and also a provider of industrial park and environmental management services in the region.

SembCorp Industries has total assets of over \$7.0 billion and employs more than 7,500 employees.

Listed on the main board of the Singapore Exchange, SembCorp Industries is a component stock of the Straits Times Index and several MSCI indices.